



Getty Mining Company | 3810 Wilshire Boulevard, Los Angeles, California 90010 • Telephone (213) 739-2485

H. E. Wendt, President and General Manager

April 3, 1985

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DIVISION OF OIL
GAS & MINING

State of Utah
Department of Natural Resources
Board of Oil, Gas and Mining
355 W. North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

RE: MINED LANDS RECLAMATION CONTRACT DATED
APRIL 28, 1983, BETWEEN GETTY MINERALS COMPANY AND
BOARD OF OIL, GAS AND MINING, STATE OF UTAH:
MERCUR PROJECT ACT/045/017, TOOELE COUNTY, UTAH

Gentlemen:

As you are aware, Paragraph 8 of the Mined Lands Reclamation Contract of April 28, 1983, between Getty Minerals Company and the Board of Oil, Gas and Mining of the State of Utah, provides that annually on or before April 1st Getty Minerals Company will supply to the Division of Oil, Gas and Mining, Getty Oil Company's annual SEC form 10-K statement.

On February 17, 1984, all of the issued and outstanding common stock of Getty Oil Company was acquired by a subsidiary of Texaco Inc. As a result of that acquisition, Getty Oil Company ceased to be a publicly-held corporation and no longer prepares SEC filings, including form 10-K. It will, therefore, be impossible to furnish a form 10-K for Getty Oil Company for the year 1984 and subsequent years because the document does not exist.

Since the acquisition of Getty Oil Company by Texaco Inc., the corporate structure of Getty Oil Company and its subsidiaries has been reorganized.

Immediately prior to the acquisition of Getty Oil Company by Texaco Inc., the Mercur Gold Mine Project was owned by Getty Minerals Company. The Getty Minerals Company was a wholly-owned subsidiary of Getty Mining Company which in turn was a wholly-owned subsidiary of Getty Oil Company. The reorganization has resulted in the following structure:

Getty Minerals Company has transferred the Mercur Gold Mine Project to a new corporation, Getty Gold Mine Company. Getty Gold Mine Company currently is a wholly-owned subsidiary



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of Getty Minerals Company. However, within the next few weeks Getty Gold Mine Company will become a wholly-owned subsidiary of Getty Mining Company. Getty Mining Company is a wholly-owned subsidiary of Texaco Producing Inc., and Texaco Producing Inc. is a wholly-owned subsidiary of Texaco Inc.

As you can see, Getty Oil Company no longer is in the corporate chain. The holding company for all of the former Getty Oil Company hard rock mineral holdings is Getty Mining Company. Getty Gold Mine Company is simply one of a number of operating mining companies which are owned by Getty Minerals Company.

In addition, Texaco Inc. has announced that the Mercur Gold Mine Project is for sale; however, no final agreement has been reached for such a sale. Unless and until a sale is consummated, Getty Mining Company continues to be the holding company for the former Getty Oil Company hard rock mineral subsidiaries, including Getty Gold Mine Company which is the current owner of the Mercur Gold Mine Project. Although the situation is rather fluid, we recognize the Board desires some assurance by a responsible party that the reclamation obligation at the Mercur mine will be performed.

Under the circumstances, it seems to us that the proper party to give such assurance would be Getty Mining Company, The parent corporation of both Getty Minerals Company and Getty Gold Mine Company. Accordingly, by this letter, Getty Mining Company represents to the Board that it is still responsible for the Mercur Gold Mine Project and it guarantees the performance of Getty Gold Mine Company (the successor in interest to Getty Minerals Company insofar as the Mercur gold mine is concerned) of its reclamation obligations at the Mercur mine as more fully described in the "Mining and Reclamation Plan," as amended March 22, 1982, and the Mined Lands Reclamation Contract.

Very truly yours,

A handwritten signature in dark ink, appearing to read "H. E. Wendt".

H. E. Wendt

HEW:JLB:cam